

JACKSON CITY COUNCIL
Regular Session
October 27, 2008
7:00 p.m.

Call to Order..... President Speakman
Pledge of Allegiance..... Mr. Eric Brown
Opening Prayer..... Mr. Wiggins

Roll Call

Approval of Minutes

September 22, 2008

VISITORS

- Joan Michael, discuss electric rates.
- Sandy Adair, dog park proposal.

COMMITTEE REPORTS:

- Utility
- Budget & Finance
- Police, Fire & Traffic
- Service
- Railroad
- Building/Recreation
- City Auditor
- Law Director
- Mayor
- Service/Safety Director
- Redistricting Committee

ORDINANCES AND RESOLUTIONS

CORRESPONDENCE

OLD BUSINESS

NEW BUSINESS

ADJOURN

JACKSON CITY COUNCIL

Minutes from
September 22, 2008
7:00 p.m.
Regular Session

Jackson City Council met in regular session on Monday, September 22, 2008 at 7:00 p.m. at the Jackson City Council chambers. President Ron Speakman called the meeting to order. The Pledge of Allegiance was given, led by Mr. Adams. The Prayer was given, led by Mr. Wiggins.

A roll call was taken as follows:

- Mr. Evans – present
- Mr. Adams – present
- Mr. Eric Brown – present
- Mr. Smith – present
- Mr. Cary Brown – present
- Mr. Elliott - present
- Mr. Wiggins – present

Mr. Eric Brown made a motion to excuse Council Clerk Tera Brown, seconded by Mr. Smith. In a voice vote, all Council agreed.

Mr. Wiggins made a motion to approve the minutes of September 8, 2008 regular session seconded by Mr. Adams. In a voice vote, all Council agreed.

VISITORS

COMMITTEE REPORTS

UTILITY

Mr. Eric Brown stated he had no report. He spoke about Ordinance No. 98-08, concern water rate, he thought we was awaiting a report from Jones & Henry. Mr. Smith asked if there could be an open discussion on the water rate ordinance. Mrs. Sexton reported we are required to keep balance under old bonds, but when we refinanced a few years ago, there is no required fund balance. Further stating it would probably ok in 2009, but after that there will be problems. Mr. Sheward stated that the preliminary expenses for 2009 excluded employees and insurance would be a 15% reduction after including other expenses. Mayor Heath stated the recommendation is six months reserve as a fund balance. Mr. Smith asked when Jones & Henry would be getting back. Mayor Heath said the 12% increase is solely a number to work from. Mr. Wiggins feels it is premature to pass the ordinance at this time, without the rate study. Mr. Smith stated the concern is we don't know what were facing yet, on the electric. He feels the electric wasn't resolved and now were dealing with a water increase. Mr. Eric Brown pointed out the stated auditor did not like a random number for increase. He feels we should have formulas for basis of increases. Mr. Smith stated that is the reason we asked for the Jones & Henry study. Mr. Smith feels we need to find out why we are losing \$28,000 per month Mr. Adams stated the 12% came from the 3% raises which used to be in effect, but were later taken out, this is to catch up with the raises that did not occur. Mayor Heath stated he was the one who brought this ordinance after talking with Mr. Eric Brown and Mr. Wiggins. Mr. Evans spoke on the old 3% inflationary raise, and noted Council, under the old ordinance could vote to rescind the automatic increase in any given year if fund balances were adequate. Mr. Smith commented on the \$900,000 the city will need to expand down the road, he asked if any grants were available for this project. Mayor Heath responded that we will look and contact Jones and Henry. Mr. Speakman asked for the administration to get the information together, and then present it to the utility committee. Mr. Sheward stated we already have the rate study, he is hopeful the additional study will provide guidance. Mr. Eric Brown stated we hoped we could schedule a committee meeting in three weeks or so, if Jones & Henry study is done.

BUDGET & FINANCE - No Report

Mr. Adams stated the next meeting is on October 8, 2008 at 6:30 p.m. in Council Chambers.

POLICE, FIRE & TRAFFIC – No Report

SERVICE – No Report

RAILROAD

Mr. Wiggins reported that repairs on line to American Warehouse have been raised and it works much better, this line is back in service.

BUILDING/RECREATION

Mr. Smith reported the committee met on September 11, 2008 and on September 22, 2008, they have discussed the Memorial Building and the Parkview property. Mr. Eric Brown asked if prisoners could paint the old ice plant. The administration will look into this. He asked if the community service workers could work on the utility poles and pull out staples and nails.

CITY AUDITOR

Mr. Humphreys report the Investment Board will meet on September 30, 2008 at 9:00 a.m. in the Mayor's office. He also reported that he reviewed old minutes and found in a report from former Service Director concerning electric charges, there was an overpayment, of \$287,703.03. The city did recoup the \$59,491.51 in February 2008. Mr. Humphreys stated AMP Ohio may still owe the city \$180,659.10.

LAW DIRECTOR

Mr. Detty stated that Mr. Evans asked about public records on prior administration, want regular reports.

MAYOR

Mayor Heath gave his report, see attached. Mr. Wiggins stated if the Mayor could give any feedback from the Wednesday meeting with AMP Ohio it would be helpful. Mr. Cary Brown asked the Mayor what he has heard from the county in the past few weeks concerning utilities, the Mayor responded.

SAFETY/SERVICE DIRECTOR

Mr. Sheward attended a meeting last week for Jackson County, the city was second out of six for partial funding of St. Rt. 93 South water line project, he is hopeful that help will be provided for the project. There will be an auction on Saturday, September 27, 2008 to dispose of vehicles in the impound and surplus city property. We received notice from AMP Ohio that Lehman is in bankruptcy and we have a contract with them through AMP Ohio. AMP Ohio will ask for us to agree from AMP Ohio to buy replacement blocks next week. This is a significant amount of the purchased power we have. Mr. Elliott moved to authorize AMP Ohio to proceed, seconded by Mr. Eric Brown. In a voice vote, all Council agreed. Mr. Sheward reported we have agreement with the State to service three traffic signals on the south end of town, and the city wants to renew. Agreement is same except if there are exceptional expenses, ODOT will help fund. We get \$2000.00 per month; this is a win/win for the city. Mr. Eric Brown made a motion to continue the agreement, seconded by Mr. Wiggins. In a voice vote, all Council agreed. Mr. Sheward reported there is not a great deal of progress on the creek cleaning but work is progressing with our own people. He requested an executive session to discuss personnel matters. Mr. Eric Brown asked about signage on bridge at Manpower to keep cars off the bridge, Mr. Sheward stated he will take care of that. Mr. Sheward stated city did receive some funds from developer for foot bridge. It will not cover the entire cost of the bridge for auto traffic, we received \$15,000 and it will take \$32,000. The current bridge can be used for auto traffic. Mr. Sheward spoke of the project put in fund for paving of Rt. 776, city must pay 20%, and not sure the cost until the project is bid, since price of asphalt is going up. There is CDBG fund to pay for walks on South Street to make them handicap accessible at no cost to the city. Mr. Wiggins asked about Manpower bridge, asked if the bridge could be fixed and repaired rather than replaced. Mr. Sheward stated real problems are the flooding which is caused by clogging; the hope is to build a new arched bridge. Mr. Smith asked about why the footbridge was not build. Mr. Sheward reported it was due to the location where it was proposed, it was reimbursed to the city by the developer. Mr. Smith asked about using the bridge money for the bike path. Mayor Heath responded that a bridge was completed last

week to put a bridge in to connect Eddie Jones Park and St. Rt. 32, to get under the will be very expensive, probably in excess of \$200,000 Mr. Sheward wants to keep the bridge money to work towards Manpower.

REDISTRICTING COMMITTEE

Mr. Evans reported he now has a map of the city and all the annexations. Map has dots to show registered voters. Mr. Woltz should have within two weeks, the current wards and precincts. Mr. Evans wants all council members to look at the map. Mr. Eric Brown asked if utility customers could be overlaid on the map.

ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 79-08

AN ORDINANCE AMENDING JACKSON CODIFIED ORDINANCE SECTION 945-03, COLLECTION RATES FOR RESIDENCES, ORDINANCE AMENDING JACKSON CODIFIED ORDINANCE SECTION 945-.031, SENIOR CITIZEN DISCOUNT RATE FOR GARBAGE COLLECTION, AND AMENDING JACKSON CODIFIED ORDINANCE SECTION 945.04, COLLECTION RATES FOR BUSINESSES.

Third Reading

Mr. Eric Brown moved to amend the ordinance to make the senior citizens rate \$7.50, seconded by Mr. Wiggins. In a voice vote, all council agreed, with Mr. Evans abstaining. This reverted to a second reading.

ORDINANCE NO. 96-08

AN ORDINANCE AUTHORIZING THE CITY TO PARTICIPATE WITH THE OHIO DEPARTMENT OF TRANSPORTATION IN THE RESURFACING OF A PORTION OF STATE ROUTE 776 LOCATED IN THE CITY OF JACKSON, OHIO, AND DECLARING AN EMERGENCY.

First Reading

Mr. Eric Brown made a motion to adopt, seconded by Mr. Elliott. In a voice vote, all Council agreed.

Mr. Wiggins asked about the amount of the 20%. It will be done during this fiscal year.

Mr. Eric Brown made a motion to suspend the rules, seconded by Mr. Evans. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote to adopt the ordinance, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

ORDINANCE NO. 96-08 DULY ADOPTED

ORDINANCE NO. 97-08

AN ORDINANCE APPROVING ADDITIONAL APPROPRIATIONS IN THE LILLIAN JONES MUSEUM FUND, AND DECLARING AN EMERGENCY.

First Reading

Mr. Eric Brown made a motion to adopt the ordinance, seconded by Mr. Elliott. In a voice vote, all Council agreed.

Mr. Eric Brown made a motion to suspend the rules, seconded Mr. Elliott. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote to adopt the ordinance, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

ORDINANCE NO. 97-08 DULY ADOPTED

RESOLUTION NO. 22-08

A RESOLUTION AUTHORIZING A THEN AND NOW CERTIFICATE, AND DECLARING AN EMERGENCY.

Second Reading

Mr. Eric Brown made a motion to suspend the rules, seconded by Mr. Adams. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote to adopt the resolution, Council voted as follows:

Mr. Evans – no
Mr. Adams – no
Mr. Eric Brown – no
Mr. Smith – no
Mr. Cary Brown – no
Mr. Elliott – no
Mr. Wiggins – no

RESOLUTION NO. 22-08 FAILED

RESOLUTION NO. 23-08

A RESOLUTION AUTHORIZING A THEN AND NOW CERTIFICATE, AND DECLARING AN EMERGENCY.

Second Reading

Mr. Wiggins made a motion to suspend the rules, seconded by Mr. Adams. In a roll call vote, Council voted as follows:

Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

In a roll call vote to adopt the ordinance, Council voted as follows:

Mr. Evans – no
Mr. Adams – no
Mr. Eric Brown – no
Mr. Smith – no
Mr. Cary Brown – no
Mr. Elliott – no
Mr. Wiggins – no

RESOLUTION NO. 23-08 FAILED

CORRESPONDENCE - None

OLD BUSINESS - None

NEW BUSINESS - None

Mayor Heath stated that when we do Route 776 paving, there is a special polymer that is used, and it is only made in China. Mr. Smith stated that during the winds after the hurricane the city utility did a great job. Mr. Smith thanked them. Mr. Smith also commended the Fire Department for setting up shelter after the gas leak on Harris Street. Mr. Sheward stated that we believe electric problems on Robin Hill have been identified. A groundhog was nibbling connectors, there have been no problems since this was located and fixed. Mr. Evans stated part of the help in the windstorm was an aggressive tree trimming program that was instituted several years ago. Mr. Speakman stated in budget proposals, a cost of service study should be done every two years, emphasizing preparation will pay great dividends for the future.

Mr. Eric Brown moved to go into executive session to discuss acquisition of property and to discuss personnel issues, seconded by Mr. Evans. It was requested that the Mayor, Service Director, Law Director and Auditor stay. In a roll call vote, Council voted as follows:


Mr. Evans – yes
Mr. Adams – yes
Mr. Eric Brown – yes
Mr. Smith – yes
Mr. Cary Brown – yes
Mr. Elliott – yes
Mr. Wiggins – yes

Council moved into executive session at 8:34 p.m.

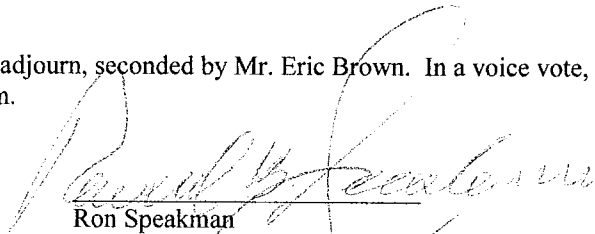
Mr. Smith moved to come out of executive session, seconded by Mr. Eric Brown. Council returned to regular session at 9:35 p.m.

ADJOURN

Mr. Evans made a motion to adjourn, seconded by Mr. Eric Brown. In a voice vote, all Council agreed. Council adjourned at 9:35 p.m.



Tera Brown
Clerk
Date 11/10/08



Ron Speakman
Council President
Date 11-10-08

MAYOR'S REPORT

SEP. 22, 2008

You have an ordinance concerning water rates tonight, and I requested the 12 percent figure be placed in the ordinance as that seemed like the most common number that had been mentioned in discussions. The increase in 2004, in essence, was for only one customer and a decrease was given to the basic rate which resulted in a reduction for all other customers despite the recommendations of the professional rate study.

The three percent automatic increase was eliminated in September, 2002, shortly after the release of the audits so it would appear it was eliminated solely on the basis of the audit findings and with no projections on its effect on the system. This would mean that if the 3 percent would have remained in place, which was felt to have been needed in previous rate studies prior to the loss of Jackson County Water as a customer and 1/3 of our customer base, the rates would probably about 20 percent higher now, not 12 percent.

As for our electric situation, auditor Humphreys, deputy auditor Sexton and myself will be meeting with AMP-Ohio again on Wednesday to discuss a number of items, including a Cost Of Service study that was compiled by AMP-Ohio in 2005 that was not implemented, I am sure because of some of its recommendations.

This Friday, Mr. Detty, myself and two of our wastewater system employees will be going to Columbus to meet with EPA attorneys regarding issues both sides still have in the resolution of the Consent Order and I continue to feel very strong in the positions we have taken in regards to the resolutions we feel are fair.

Obviously, we have a great number of issues with our utilities that have accumulated certainly not overnight, but over a period of recent years. You know, you can patch a street so many times that you can't even remember what the original surface looked like, and that is when it is usually time to just repave the street and get it back on solid footing.

Our utilities have been patched so many times with so many insinuations, representations, shortcuts, bypasses, etc., that we don't even know what our original intent and direction were. We have so strayed from the course in so many ways, most of us probably don't have a clue as to what the original course was.

That is why I believe we need to a total, comprehensive look at our utilities starting from scratch, beginning with this study by Jones-Henry on our water and updating this Cost Of Service study by AMP-Ohio, but also realizing this is going to take some time to re-create the direction of our utility system and we must take whatever necessary action is needed now to keep our rate structure in a position where we can pay for the cost of delivering the service of all of our utilities and not allow the situation to potentially deteriorate into a even deeper shortfall. Utilities are a most complexed operation, and with four new members of this council, a new administration and a public that I believe would like to have the information to better educate them, I feel this is a must. We need to stop patching and start building again.

Also, in talking about patching and repaving, we are not going to be able to repave Walnut Street this year, in part, because the Olympics were held in Beijing, China.